

SECTION 4 REPORTING PROCEDURES

CONTENTS

REPORTING REQUIREMENTS	Page 2
REPORTING CONTRIBUTIONS	Page 2
MEMBER SERVICE CREDIT	Page 3
TIAA-CREF MEMBERS.....	Page 3
OVERAGES AND SHORTAGES	Page 3
METHODS OF REPORTING	Page 3

REPORTING REQUIREMENTS

Earnings must be reported to the TRS on a “when earned” basis, as opposed to “when paid”. The TRS Board requires your ‘Monthly Earnings and Contributions Report’ be submitted to the TRS office by the 15th of the month following the month of the earnings. For example, the September earnings are to be reported to the TRS office by October 15th. Failure to remit in a timely manner may adversely affect the TRS member’s interest earnings and payment for any service your employees may be purchasing through payroll deduction. If your report is going to be late, please notify the TRS immediately at 444-3323.

Submit only one detail line for all employees reportable to the TRS using a valid Social Security Number (SSN). For example, if your payroll cycle is bi-monthly, combine both payments into one detail line per individual.

The TRS does not recommend combining reporting months; however, if it becomes necessary, combine all amounts (earnings, contributions, full-time equivalent (FTE), etc.) for the months being reported into one report. Do not send or transmit more than one report at a time. On the “Summary Page”, indicate all months that are being reported. Do not combine reports if earnings represent two separate fiscal years.

When sending or transmitting your last report for all employees for the school year indicate this by writing FINAL on the summary page. June is the final month to be reported for the fiscal year, unless indicated otherwise on an earlier monthly report. All final reports must be received in the TRS office by July 15th to ensure that each member’s ‘Montana TRS Statement of Account’ reflects the correct total years of service and account balance information. Include all final earnings for the year on the final report. Termination pay for retiring members must not be added to final earnings.

Alternative payment contracts need to be reported based on payments made to the employee, such as:

- If a member has elected a nine-month contract, and all earnings are to be paid September through May, one-ninth of the annual contract must be reported on each monthly report. In this example, no earnings will be reported on the June, July or August ‘Monthly Earnings and Contributions Report’.
- If a member has elected a 10-month contract, and all earnings are to be paid September through June, one-tenth of the annual contract must be reported on each monthly report. No earnings will be reported on the July or August ‘Monthly Earnings and Contributions Report’.
- If a member has elected a 12-month contract, and earnings are paid September through June, one-twelfth of the annual contract must be reported on each monthly report September through May with the July and August earnings included on the June ‘Monthly Earnings and Contributions Report’. No earnings will be reported on the July or August ‘Monthly Earnings and Contributions Report’.
- If a member has elected a 12-month contract, and earnings are to be paid July through June, one-twelfth of the annual contract must be reported on each ‘Monthly Earnings and Contributions Report’, for all months.

REPORTING CONTRIBUTIONS

Each employer of the TRS is required to withhold tax-deferred and contribute monthly, 7.15% of the TRS member’s earned compensation. In addition, the employer is required to contribute 7.47% of the total earned compensation earned during the month by all employees who are active members of the TRS. (Refer to Section 1)

If you have a member who is terminating their employment and using their termination pay in the calculation of retirement benefits, please refer to Section 6 for instructions on the calculation of the employee and employer termination pay contributions due the TRS. Please refer to Section 4(c) for reporting the employee and employer termination pay contributions to the TRS.

Working retirees' earnings must be reported each month for the purpose of tracking the retiree's maximum allowable earnings. TRS contributions must not be withheld. In addition, do not report hours worked or the FTE value. (Refer to Section 8)

MEMBER SERVICE CREDIT

Employment eligible to be qualified under the TRS will be credited with service in the proportion that the actual time worked compares to full-time service, based on a fiscal year beginning July 1st and ending June 30th. One full year (1.00) of service credit will be granted for any employment eligible to be qualified under the TRS, based upon at least nine months or 180 days of full-time employment; or 12 months of full-time employment. A member, who is employed on a .67 FTE contract for the entire fiscal year will be credited with .67 year of service credit. The FTE reported on the monthly report must accurately reflect the employment contract, or contracts.

TIAA-CREF MEMBERS

TIAA-CREF members will have only earnings and employer (no employee) contributions reported to the TRS. Do not report hours worked or the FTE value. The TIAA-CREF contribution rate is 4.04%. (Ref: §19-20-621, MCA.)

OVERAGES AND SHORTAGES

If you do **not** remit the 'Total Due This Report' for the month for which you are reporting, any amount over or short of the "Total Due This Report" becomes classified as an "Overage/Shortage". The TRS staff will prepare and mail an "Overage/Shortage" notification to the respective TRS employer. If an overage occurs, please credit this amount against the amount due on your next report. If your office would like a refund, this request must be made in writing to the TRS.

If a shortage occurs, you may remit a check immediately or include the amount of the shortage with your next monthly report. Please indicate the amount of the shortage on the "Overage/Shortage" line on the "Summary Page".

METHODS OF REPORTING

The employer is required to submit monthly reports by using the TRS On-Line Internet Reporting. (Refer to Section 4(a))

Note: *Earnings and contribution information sent via reporting methods 1 and 2, above, are processed by the TRS through TRS On-Line. This makes previous reporting periods available on-line to each employer once they make the migration to TRS On-Line. TRS On-Line is simple to use, safe, more accurate and faster for all users.*

The TRS is encouraging employers that are not currently using the 'New TRS On-Line Internet Reporting' to sign up using the 'Employer Internet Reporting Sign-Up Form'. This form is available on the TRS website at <http://www.trs.mt.gov>. Upon receipt of the completed form you will be contacted and informed of your "Username" and "Password". If you have questions or need assistance with the on-line web reporting, please call the TRS at (406) 444-3395 or (406) 444-9293.